Natural Rubber as agricultural commodity

3669. SHRI N.K. PREMACHANDRAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government would consider to negotiate with the WTO for reclassifying Natural Rubber as an agricultural commodity;

(b) whether Government would consider to impose safeguard duty on Natural Rubber at appropriate rate;

(c) whether Government would consider to enhance the present rate of export subsidy for Natural Rubber, if so, to what extent;

(d) whether Government would consider to restrict the import of Natural Rubber under advance license or open general license; and

(e) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) India in its negotiating proposals filed in January, 2001 in World Trade Organisation (WTO) has proposed rationalisation of product coverage of Agreement on Agriculture to include agricultural commodities such as rubber, jute and coir.

(b) to (e) Safeguard duty can be imposed pursuant to an investigation initiated and conducted by the Dircetoratc General of Safeguards in accordance with the relevant statute.

In order to ensure remunerative return to producers, the Government has put in place a scheme for providing assistance for quality improvement, certification, packaging, transport and handling charges whereby exporters of natural rubber would receive Rs. 5.20/kg instead of Rs. 3.50/kg for export of 20,000 MT of rubber.

With the lifting of quantitative restrictions with effect from 1.4.2001, the import of Natural Rubber has become free and any

body can import Natural Rubber after paying the applicable duties. However, the ban on import of rubber against advance licences still continues and at present there is no proposal to lift the ban.

Price stabilization corporation for commercial crops

3670. SHRI RAMAMUNI REDDY SIRIGIREDDY:
SHRI C. RAMACHANDRAIAH:
SHRI K. RAMA MOHANA RAO:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government arc aware that tobacco and other commercial crops are subjected to fluctuations in the market price causing loss to the growers;

(b) if so, whether Government propose to set up price stabilization Corporation for certain commodities;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) The market prices of tobacco and commercial crops vary from time to time due to numerous factors such as production, quantities traded, demand and supply etc.

(b) No, Sir.

(c) Does not arise.

(d) In the free market era, setting up of any Corporation under the aegis of the Government for stabilizing the prices is neither feasible nor desirable.